

**Joint Meeting of the House Appropriations Higher Education Subcommittee and House
Commerce Committee**

Representative Al Pscholka and Representative Frank Foster, Chairs

Remarks of Patrick Doyle, Business Leaders for Michigan
March 12, 2014

Thank you for the opportunity to come to this meeting on such an important subject.

I can say unequivocally that our colleges and universities do an outstanding job when it comes to producing the talent and innovation that has been essential to growing our business at Domino's. In fact, they do an outstanding job in both areas.

Now I realize you may be thinking, "What do talent and innovation have to do with delivering pizzas?" Well, in many ways, it's the secret sauce.

I learned in my first economics course that growth comes from increasing productivity. Increases in productivity are driven by talent and innovation, and at Domino's, we have embraced talent and innovation to accelerate our growth.

The competition for these employees is fierce. But I can honestly say that the primary reason we keep our headquarters in Ann Arbor is because the higher education system in this state produces the talent we need to continue to grow our increasingly complex business. They have the right balance of critical thinking, technical and practical skills that employers like Domino's value. And through that innovation and talent we grow our sales and store counts, which generates even more employment in our stores.

Two years ago, I appeared before some of you and said that increased funding for high quality, affordable higher education in Michigan is one of the single most important investments you can make to ensure the future economic growth of Michigan. That's because more jobs are being created that require at least an Associate's degree, Bachelor's degree or higher. If our kids can't afford to get the education they need to fill those jobs, the jobs will get filled in another state or country.

The good news is that we're making progress.

According to a 2013 Senate Higher Education Subcommittee report, our universities have implemented more than \$220 million in efficiencies and cost savings since 2008. That's why universities have been able to keep total spending per student at virtually the same levels as a generation ago.

The state is also doing its part by increasing support for higher education. The Fiscal Year 2015 Executive Budget Recommendation marks the third straight year of increased funding and the largest increase for higher education in several years.

We, at Business Leaders for Michigan, support the Executive Recommendation and the proposed tuition cap of 3.2%. It will help make college more affordable for hundreds of thousands of Michigan young people. It will also put Michigan on a path toward having a "first mover" advantage nationally. By making college more affordable here faster than other states, we will give Michigan an advantage to produce more of talent business needs to create jobs and help accelerate our economic recovery.

